

Recording Requested By:  
City of Pasadena

When Recorded Mail To:  
Eric Tashman  
SIDLEY AUSTIN LLP  
555 California Street, 20<sup>th</sup> Floor  
San Francisco, California 94104

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This document is recorded for the benefit of the City of Pasadena and recording is fee exempt under §27383 of the Government Code.

SUPPLEMENT NO. 4

dated as of April 1, 2008

to

AMENDED AND RESTATED LEASE

dated as of January 1, 2003

by and between the

CITY OF PASADENA,  
as Lessor

and the

PASADENA PUBLIC FINANCING AUTHORITY  
as Lessee

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SUPPLEMENT NO. 4 TO  
AMENDED AND RESTATED LEASE

This Supplement No. 4 to Amended and Restated Lease, dated as of April 1, 2008 (the "Supplement No. 4 to Lease") supplements the Amended and Restated Lease, dated as of January 1, 2003, as supplemented by the Supplement No. 1 to Amended and Restated Lease, dated as of March 1, 2004, by the Supplement No. 2 to Amended and Restated Lease, dated as of September 1, 2006 and by Supplement No. 3 to Amended and Restated Lease, dated as of April 1, 2008 (such Amended and Restated Lease, together with such Supplement No. 1, Supplement No. 2 and Supplement No. 3 to Amended and Restated Lease, the "Prior Lease"), between the Pasadena Public Financing Authority (the "Authority") and the City of Pasadena (the "City").

WITNESSETH:

WHEREAS, the City has caused the execution and delivery of additional series of certificates designated as City of Pasadena Refunding Certificates of Participation, Series 2008B, in the aggregate initial principal amount of \$ \_\_\_\_\_ (the "2008B Certificates");

WHEREAS, the Amended and Restated Lease, dated as of January 1, 2003, by and between the Authority and the City was recorded on January 29, 2003 as Instrument No. 03-0271240;

WHEREAS, Supplement No. 1 to Amended and Restated Lease, dated as of March 1, 2004, was recorded on April 13, 2004 as Instrument No. 04-0883160;

WHEREAS, Supplement No. 2 to Amended and Restated Lease, dated as of September 1, 2006, was recorded on September 6, 2006 as Instrument No. 06-1983685;

WHEREAS, Supplement No. 3 to Amended and Restated Lease, dated as of April 1, 2008, was recorded on \_\_\_\_\_, 2008 as Instrument No. \_\_\_\_\_;

WHEREAS, pursuant to Section 13 of the Prior Lease, the Prior Lease may be amended in certain circumstances;

WHEREAS, the Authority and the City now desire to amend the Prior Lease in accordance with Section 13 of the Prior Lease in order to provide for the advanced rent paid with respect to the 2008B Certificates;

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. All capitalized terms used in this Supplement No. 4 to Lease but not defined herein shall have the meanings ascribed thereto in the Prior Sublease.
2. Section 3 of the Prior Lease is hereby amended to read as follows.

SECTION 3. Rent. Upon execution and delivery of the 1993 Certificates, \$77,692,756.26 was deposited in the funds established with respect to the 1993 Certificates as advanced rent from the Corporation to the City in full

consideration for the 1993 Lease over its term. Upon execution and delivery of the 1996 Certificates, \$14,047,222.77 was deposited in the funds established with respect to the 1996 Certificates as advanced rent from the Corporation to the City in full consideration for the 1996 Lease over its term. Upon execution and delivery of the 2003 Certificates, the Authority paid to the City an advance rent of \$73,579,698.50 under this Lease. Upon execution and delivery of the 2004 Certificates, \$39,985,210.59 was deposited in the funds established with respect to the 2004 Certificates as advanced rent from the Authority to the City under this Lease. Upon execution and delivery of the 2006 Certificates, \$161,846,397.59 was deposited in the funds established with respect to the 2006 Certificates as advanced rent from the Authority to the City under this Lease. Upon execution and delivery of the 2008A Certificates, \$\_\_\_\_\_ was deposited in the funds established with respect to the 2008A Certificates as advanced rent from the Authority to the City under this Lease. Upon execution and delivery of the 2008B Certificates, the Authority shall pay to the City an advance rent of \$-\_\_\_\_\_, which together with the advance rent previously paid by the Corporation and the Authority to the City, shall be full consideration for this Lease over its term. The Authority hereby waives any right that it may have under the laws of the State of California to receive a rebate of such rent in full or in part in the event there is a substantial interference with the use and right of possession by the Authority of the Leased Property or portion thereof as a result of material damage, destruction or condemnation. All of the advance rent payments have been or shall be deposited with the Trustee under the Trust Agreement pursuant to the Trust Agreement and have been or shall be disbursed by the City or the Trustee in accordance with the Trust Agreement.

3. All other provisions of the Prior Lease shall remain in full force and effect.
4. This Supplement No. 4 to Lease shall become effective as of the date first stated above.

IN WITNESS WHEREOF, the parties hereto have executed and entered into this Supplement No. 4 to Lease by their officers thereunto duly authorized as of the day and year first above written.

CITY OF PASADENA

By: \_\_\_\_\_

Director of Finance

ATTEST:

\_\_\_\_\_  
Jane L. Rodriguez, CMC  
City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Michelle Beal Bagneris  
City Attorney

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Sidley Austin LLP

PASADENA PUBLIC FINANCING  
AUTHORITY

By: \_\_\_\_\_

Treasurer

ATTEST:

\_\_\_\_\_  
Jane L. Rodriguez  
Secretary

ACKNOWLEDGMENT

State of California  
County of Los Angeles

On \_\_\_\_\_, 2008 before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

Recording Requested By:  
City of Pasadena

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SUPPLEMENT NO. 4

dated as of April 1, 2008

to

AMENDED AND RESTATED SUBLEASE

dated as of January 1, 2003

by and between the

PASADENA PUBLIC FINANCING AUTHORITY,  
as Sublessor

and the

CITY OF PASADENA,  
as Sublessee

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SUPPLEMENT NO. 4 TO  
AMENDED AND RESTATED SUBLEASE

This Supplement No. 4 to Amended and Restated Sublease, dated as of April 1, 2008 (the "Supplement No. 4 to Sublease"), supplements and amends the Amended and Restated Sublease, dated as of January 1, 2003, as supplemented by the Supplement No. 1 to Amended and Restated Sublease, dated as of March 1, 2004, as supplemented by the Supplement No. 2 to Amended and Restated Sublease, dated as of September 1, 2006 and as supplemented by the Supplement No. 3 to Amended and Restated Sublease dated as of April 1, 2008 (such Amended and Restated Sublease, together with such Supplement No. 1, Supplement No. 2 and Supplement No. 3 to Amended and Restated Sublease, the "Prior Sublease"), between the Pasadena Public Financing Authority (the "Authority") and the City of Pasadena (the "City").

WITNESSETH:

WHEREAS, the City has caused the execution and delivery of an additional series of certificates designated as City of Pasadena Refunding Certificates of Participation, Series 2008B, in the aggregate initial principal amount of \$\_\_\_\_\_ (the "2008B Certificates") for the purpose of refunding the outstanding 2004 Certificates (as defined in the Prior Sublease), funding, if necessary, a deposit to a reserve fund and financing the costs of execution and delivery of the 2008A Certificates;

WHEREAS, the Amended and Restated Sublease, dated as of January 1, 2003, by and between the Authority and the City was recorded on January 29, 2003 as Instrument No. 03-0271241;

WHEREAS, Supplement No. 1 to Amended and Restated Sublease, dated as of March 1, 2004, by and between the Authority and the City was recorded on April 13, 2004 as Instrument No. 04-0883161;

WHEREAS, Supplement No. 2 to Amended and Restated Sublease, dated as of September 1, 2006, by and between the Authority and the City was recorded on September 6, 2006 as Instrument No. 04-0271248;

WHEREAS, Supplement No. 3 to Amended and Restated Sublease, dated as of September 1, 2006, by and between the Authority and the City was recorded on April \_\_, 2008 as Instrument No. \_\_\_\_\_;

WHEREAS, pursuant to Section 11.05 of the Prior Sublease, the Prior Sublease may be amended in certain circumstances;

WHEREAS, the Authority and the City now desire to amend the Prior Sublease in accordance with Section 11.05 thereof in order to amend Exhibit B to provide for increased Base Rental Payments payable under the Sublease in connection with the execution and delivery of the 2008B Certificates;

WHEREAS, the City Council has found and determined that the annual fair rental value of the Leased Property is currently not less than \$35,000,000 and upon completion of the

improvements to the Pasadena Convention Center will not be less than \$50,000,000, which amount exceeds the maximum Base Rental Payments, which amount exceeds the maximum Base Rental Payments (whether calculated as shown in Exhibit B hereto or by reference to the payment terms of the outstanding previously delivered Certificates and the 2008B Certificates) plus Additional Rental payable hereunder, and in making such determination, the City has given consideration to variety of factors, including, without limitation, the replacement costs of existing improvements on the Leased Property, the value of the underlying real estate, other obligations of the parties under the Sublease, the uses and purposes which may be served by the improvements on the Leased Property and the benefits therefrom which will accrue to the City and the general public;

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. All capitalized terms used in this Supplement No. 4 to Sublease but not defined herein shall have the meanings ascribed thereto in the Prior Sublease; however terms used in this Supplement No. 4 to Sublease which have been amended pursuant to the Fourth Supplemental Trust Agreement shall have the meanings ascribed thereto in the Fourth Supplemental Trust Agreement.
2. Pursuant to Section 11.05 of the Prior Sublease, Exhibit B of the Prior Sublease is hereby amended in its entirety to read as set forth in Exhibit B hereto.
3. All other provisions of the Prior Sublease shall remain in full force and effect.
4. This Supplement No. 4 to Sublease shall become effective as of the date first stated above.



IN WITNESS WHEREOF, the parties hereto have executed and entered into this Supplement No. 4 to Sublease by their officers thereunto duly authorized as of the day and year first above written.

CITY OF PASADENA

By: \_\_\_\_\_

Director of Finance

ATTEST:

\_\_\_\_\_  
Jane L. Rodriguez  
Secretary

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Michelle Beal Bagneris  
City Attorney

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Sidley Austin LLP

PASADENA PUBLIC FINANCING  
AUTHORITY

By: \_\_\_\_\_

Treasurer

ATTEST:

\_\_\_\_\_  
Jane L. Rodriguez  
Secretary

ACKNOWLEDGMENT

State of California  
County of Los Angeles

On \_\_\_\_\_, 2008 before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

TRUSTEE APPROVAL

BY EXECUTION HEREOF, The Bank of New York Trust Company, N.A. as Trustee for the outstanding 1993 Certificates, 2003 Certificates, the 2006A Certificates, the 2008A Certificates and the 2008B Certificates pursuant to Section 11.05 of the Prior Sublease, hereby approves the foregoing amendments to the Prior Sublease contained in this Supplement No. 4 to Sublease as of the date above first written.

THE BANK OF NEW YORK  
TRUST COMPANY, N.A.

By: \_\_\_\_\_  
Authorized Officer

CONSENT

BY EXECUTION HEREOF, Ambac Assurance Corporation, as Insurer of the outstanding 1993 Certificates, 2003 Certificates and the 2006A Certificates, hereby consents to the foregoing amendments to the Prior Sublease contained in this Supplement No. 4 to Sublease as of the date above first written.

AMBAC ASSURANCE CORPORATION

By: \_\_\_\_\_  
Title:

ACKNOWLEDGMENT

State of California  
County of Los Angeles

On \_\_\_\_\_, 2008 before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in their authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

**EXHIBIT B**  
**BASE RENTAL PAYMENT SCHEDULE FOR OUTSTANDING CERTIFICATES OF PARTICIPATION**

**1993 Certificates**

<b>Base Rental Payment Date</b>	<b>Principal Component (due February 1)</b>	<b>Interest Component (due February 1 and August 1)</b>	<b>Total Base Rental Payment</b>
February 1, 2004	--	\$ 664,871.25	\$ 664,871.25
August 1, 2004	--	664,871.25	664,871.25
February 1, 2005	--	664,871.25	664,871.25
August 1, 2005	--	664,871.25	664,871.25
February 1, 2006	--	664,871.25	664,871.25
August 1, 2006	--	664,871.25	664,871.25
February 1, 2007	--	664,871.25	664,871.25
August 1, 2007	--	664,871.25	664,871.25
February 1, 2008	--	664,871.25	664,871.25
August 1, 2008	--	664,871.25	664,871.25
February 1, 2009	--	664,871.25	664,871.25
August 1, 2009	--	664,871.25	664,871.25
February 1, 2010	\$ 4,455,000.00	664,871.25	5,119,871.25
August 1, 2010	--	545,700.00	545,700.00
February 1, 2011	4,700,000.00	545,700.00	5,245,700.00
August 1, 2011	--	419,975.00	419,975.00
February 1, 2012	4,960,000.00	419,975.00	5,379,975.00
August 1, 2012	--	287,295.00	287,295.00
February 1, 2013	5,225,000.00	287,295.00	5,512,295.00
August 1, 2013	--	147,526.25	147,526.25
February 1, 2014	5,515,000.00	147,526.25	5,662,526.25
<b>Total</b>	<b>\$24,855,000.00</b>	<b>\$11,444,318.75</b>	<b>\$36,299,318.75</b>

## 2003 Certificates

Base Rental Payment Yearly Period Ending	Principal Component (Due February 1)	Interest Component*		
		Swap Agreement Fixed Amount	Liquidity Fee	Remarketing Fee
2/1/2003	--	\$ 16,889.71	\$ 1,036.65	\$ 327.96
2/1/2004	--	3,040,148.00	186,597.73	59,032.00
2/1/2005	--	3,040,148.00	186,597.73	59,032.00
2/1/2006	--	3,040,148.00	186,597.73	59,032.00
2/1/2007	--	3,040,148.00	186,597.73	59,032.00
2/1/2008	\$ 1,495,000.00	3,040,148.00	186,597.73	59,032.00
2/1/2009	1,635,000.00	2,978,554.00	182,817.22	57,836.00
2/1/2010	1,705,000.00	2,911,192.00	178,682.68	56,528.00
2/1/2011	1,780,000.00	2,840,946.00	174,371.14	55,164.00
2/1/2012	1,860,000.00	2,767,610.00	169,869.93	53,740.00
2/1/2013	1,945,000.00	2,690,978.00	165,166.42	52,252.00
2/1/2014	2,030,000.00	2,610,844.00	160,247.97	50,696.00
2/1/2015	2,120,000.00	2,527,208.00	155,114.58	49,072.00
2/1/2016	2,215,000.00	2,439,864.00	149,753.59	47,376.00
2/1/2017	2,315,000.00	2,348,606.00	144,152.37	45,604.00
2/1/2018	2,415,000.00	2,253,228.00	138,298.27	43,752.00
2/1/2019	2,525,000.00	2,153,730.00	132,191.30	41,820.00
2/1/2020	2,635,000.00	2,049,700.00	125,806.16	39,800.00
2/1/2021	2,755,000.00	1,941,138.00	119,142.86	37,692.00
2/1/2022	2,875,000.00	1,827,632.00	112,176.11	35,488.00
2/1/2023	3,005,000.00	1,709,182.00	104,905.90	33,188.00
2/1/2024	3,140,000.00	1,585,376.00	97,306.96	30,784.00
2/1/2025	3,280,000.00	1,456,008.00	89,366.63	28,272.00
2/1/2026	3,425,000.00	1,320,872.00	81,072.27	25,648.00
2/1/2027	3,575,000.00	1,179,762.00	72,411.25	22,908.00
2/1/2028	3,735,000.00	1,032,472.00	63,370.90	20,048.00
2/1/2029	3,900,000.00	878,590.00	53,925.96	17,060.00
2/1/2030	4,075,000.00	717,910.00	44,063.77	13,940.00
2/1/2031	4,260,000.00	550,020.00	33,759.04	10,680.00
2/1/2032	4,445,000.00	374,508.00	22,986.49	7,272.00
2/1/2033	4,645,000.00	191,374.00	11,746.12	3,716.00
<b>TOTAL</b>	<b>\$73,790,000.00</b>	<b>\$60,554,933.71</b>	<b>\$3,716,731.20</b>	<b>\$1,175,823.96</b>

\* Amounts are estimates only. The amounts shown under Swap Agreement Fixed Amount reflects the Fixed Rate and Notional Amount under the Swap Agreement. In the event that pursuant to the Swap Agreement the Floating Amount is no longer determined by reference to the interest rate on the 2003 Certificates, or in the event the Swap Agreement is no longer in effect, the amounts shown under Swap Agreement Fixed Amount will be adjusted as set forth in Section 5.01(a) hereof. Amounts due to the Liquidity Provider and Remarketing Agent with respect to the 2003 Certificates are based on the agreements in place on the date of execution and delivery of the 2003 Certificates and may change pursuant to amendments or other agreements with the related Liquidity Provider or related Remarketing Agent, as the case may be. Subject to the limitations set forth in this Sublease, and for purposes other than for federal or state income tax purposes, the actual amounts payable to the related Swap Provider, Liquidity Provider, Remarketing Agent and to the Trustee, as assignee of the Authority's rights under the Sublease, shall constitute the actual interest component of the Base Rental Payments.

**2006A Certificates**

<b>Base Rental Payments Date (February 1)</b>	<b>Principal Component (Due February 1)</b>	<b>Accreted Interest Component (Due February 1)</b>	<b>Total Base Rental Payment</b>
2010	\$ 364,531.85	\$ 50,468.15	\$ 415,000
2011	673,800.00	126,200.00	800,000
2012	883,227.00	211,773.00	1,095,000
2013	1,054,066.65	310,933.35	1,365,000
2014	1,886,259.20	673,740.80	2,560,000
2015	2,003,464.50	846,535.50	2,850,000
2016	2,310,968.60	1,149,031.40	3,460,000
2017	2,420,493.00	1,389,507.00	3,810,000
2018	2,483,703.75	1,641,296.25	4,125,000
2019	2,509,308.25	1,895,691.75	4,405,000
2020	2,590,470.00	2,224,530.00	4,815,000
2021	2,624,310.15	2,520,689.85	5,145,000
2022	2,652,383.70	2,837,616.30	5,490,000
2023	2,682,985.50	3,167,014.50	5,850,000
	<u>\$27,139,972.15</u>	<u>\$19,045,027.85</u>	<u>\$46,185,000</u>



## 2008A Certificates

Base Rental Payment Yearly Period ending	Principal Component (Due February 1)	Interest Component*		
		Swap Agreement Fixed Amount	Liquidity Fee	Remarketing Fee
2008	-			
2009	-			
2010	-			
2011	-			
2012	-			
2013	-			
2014	-			
2015	-			
2016	-			
2017	-			
2018	-			
2019	-			
2020	-			
2021	-			
2022	-			
2023	-			
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
	\$	\$	\$	\$

\* Amounts are estimates only. The amounts shown under Swap Agreement Fixed Amount reflects the Fixed Rate and Notional Amount under the Swap Agreement. To the extent that the Floating Amount under the Swap Agreement is not equal to the interest rate on the 2008A Certificates, or in the event the Swap Agreement is no longer in effect, the amounts shown under Swap Agreement Fixed Amount will be adjusted as set forth in Section 5.01(a) hereof. Amounts due to the Credit Provider and Remarketing Agent with respect to the 2008A Certificates are based on the agreements in place on the date of execution and delivery of the 2008A Certificates and may change pursuant to amendments or other agreements with the related Liquidity Provider or related Remarketing Agent, as the case may be. Subject to the limitations set forth in this Sublease, and for purposes other than for federal or state income tax purposes, the actual amounts payable to the related Swap Provider, Credit Provider, Remarketing Agent and to the Trustee, as assignee of the Authority's rights under the Sublease, shall constitute the actual interest component of the Base Rental Payments.

**2008B Certificates**

<b>Base Rental Payment Date</b>	<b>Principal Component (due February 1)</b>	<b>Interest Component (due February 1 and August 1)</b>	<b>Total Base Rental Payment</b>
February 1, 20__		\$	\$
August 1, 20__			
February 1, 20__			
August 1, 20__			
February 1, 20__			
August 1, 20__			
February 1, 20__			
August 1, 20__			
February 1, 20__			
August 1, 20__			
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February 1, 20__			
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February 1, 20__			
August 1, 20__			
February 1, 20__			
August 1, 20__			
February 1, 20__			
August 1, 20__			
<b>Total</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>